



To: All Rental Housing Tax Credit Recipients **Notice:** MFD-08-12

From: IHCD Multi Family Department

Date: July 1, 2008

Re: Section 42 Emergency Housing Relief – SUSPENSION OF INCOME REQUIREMENTS

Update to Notice MFD-08-011

Indiana Housing & Community Development Authority has been working closely with the Internal Revenue Service to assist Section 42 developments housing families displaced by the disastrous weather that recently struck so many Indiana residents. [Internal Revenue Service Notice 2008-56](#) was released this week in response to IHCD's request to better serve the many needy families in Indiana now displaced by the storms and flooding. IHCD is permitting all Owners of Section 42 properties within the State of Indiana to suspend certain Section 42 requirements from **June 8, 2008 to not later than July 31, 2009** for individuals that have been displaced because their residences were destroyed or damaged as a result of the severe storms and flooding.

An individual is a displaced individual if the individual was displaced from his/her principal place of residence as a result of a major disaster and the principal place of residence is in a city, county, or other local jurisdiction designated for Individual Assistance by FEMA as a result of the major disaster.

Bartholomew	Boone	Brown	Clay	Daviess
Dearborn	Decatur	Franklin	Greene	Henry
Jackson	Jennings	Jefferson	Johnson	Lawrence
Madison	Morgan	Monroe	Ohio	Owen
Ripley	Randolph	Rush	Shelby	Sullivan
Union	Vermillion	Vigo	Wayne	

- (1) Suspension of Income Limits: The suspension will apply to all displaced individuals that rent vacant units in the Section 42 development.



- (2) Status of Units: The fact that a vacant unit becomes occupied by a displaced individual will not affect the building's applicable fraction under Section 42 for the purposes of determining the building's qualified basis, nor will it affect the 20/50 test or 40/60 test of Section 42. Additionally, the temporary occupancy of a displaced individual with income exceeding 140 percent of the applicable income limit will not invoke the available unit rule.
- (3) Self-Certification of Displaced Individual: An Affidavit of Displacement (sample attached), including all adult members of the household, must be included in each tenant file of a displaced individual. The project must obtain and maintain the name, address of damaged residence, social security number, and statement signed under penalties of perjury by the displaced individual that, because of damage to the individual's residence in an Indiana jurisdiction designated for Individual Assistance by FEMA as a result of the severe storms and flooding beginning on June 6, 2008, the individual requires temporary housing.
- (4) Additional Owner Requirements:
- (a) The Owner must list the project on <http://www.indianahousingnow.org>.
 - (b) The Owner using the IHCD Online Reporting system should make a comment in the Note section that the tenant is a displaced resident.
 - (c) The Owner must complete the attached Disaster Tenant Tracking Report and submit to George McMannis, email at gmcmanis@ihcda.in.gov, by:

November 1, 2008-all tenants that have rented units as displaced individuals from June 8, 2008 through October 31, 2008.

January 31, 2009-all tenants that have rented or are continuing to rent units as displaced individuals from November 1, 2008 through December 31, 2008.

April 1, 2009-all tenants that have rented or are continuing to rent units as displaced individuals from January 1, 2009 through March 31, 2009.

August 1, 2009-all tenants that have rented or are continuing to rent units as displaced individuals from April 1, 2009 through July 31, 2009.

Attachments

- (1) Sample Affidavit of Displacement
- (2) Disaster Tenant Tracking Report





Affidavit of Displacement

(Tenant file should include one (1) affidavit for each Household Displaced by Flood Related Damage)
(Each adult household member should be listed on affidavit)

Household Name _____ Unit # _____
Project Name _____ BIN _____

Under penalty of perjury, I certify that I am an individual displaced because of damage to my home located in the major disaster area of _____ County, IN.

Address of Damaged Residence _____

FEMA # _____

- 1.) Tenant Name _____ Social Security # _____
- 2.) Tenant Name _____ Social Security # _____
- 3.) Tenant Name _____ Social Security # _____
- 4.) Tenant Name _____ Social Security # _____

The undersigned further states that the information presented in this certification is true and accurate to the best of their knowledge and understands that providing false information constitutes fraud. False, misleading or incomplete information may result in the termination of the lease agreement.

- 1.) Signature of Tenant _____ Date _____
- 2.) Signature of Tenant _____ Date _____
- 3.) Signature of Tenant _____ Date _____
- 4.) Signature of Tenant _____ Date _____

This section to be completed by Owner/Representative

Date Temporary Occupancy Began: _____

Temporary Housing Period Expires: **July 31, 2009**

I certify that the occupancy dates stated above are true and accurate. This affidavit shall be retained by the owner as part of the tenant file and will be filed with the federal income tax return for the applicable year.

Signature of Owner/Representative _____ Date _____





**Emergency Housing Relief for Displaced Disaster Victims
Section 42 Property Tracking Report**

Development Name					BIN #	
BIN #	Tenant's Name	Primary County of Residence	Move In Date	Move Out Date	Gross Rent	



Due to George McMannis with IHCD by:

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Please submit report via email at gmcmanis@ihcda.in.gov or send to:

IHCDA

Attn: George McMannis

30 S Meridian St, Suite 1000

Indianapolis, IN, 46204

